



STATE OF MAINE
OFFICE OF THE STATE AUDITOR

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AUGUSTA, ME 04333-0066

TEL: (207) 624-6250

Matthew Dunlap, CIA
State Auditor

B. Melissa Perkins, CPA
Deputy State Auditor

June 2, 2025

Honorable Members of the Legislative Council, 132nd Maine Legislature;

Honorable Janet T. Mills
Governor of the State of Maine

I am pleased to submit the State Auditor's Fraud Hotline Semiannual Report for the period July 1, 2024, to December 31, 2024.

A summary of the complaints is attached.

Sincerely,



Matthew Dunlap, CIA
State Auditor



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STATE AUDITOR'S FRAUD HOTLINE

<http://www.maine.gov/audit/fraud/index.html>

Semiannual Report for the Period July 1, 2024, to December 31, 2024

In accordance with 5 MRSA §244-E, the Office of the State Auditor (OSA) administers a Fraud Hotline and referral service for the confidential reporting of fraud, waste, inefficiency and abuse in State Government. OSA either investigates complaints internally or refers complaints to the appropriate State agency for further review and/or investigation. The types of complaints investigated by OSA include:

- illegal acts affecting State government such as theft, fraud, and financial conflict of interest;
- financial fraud depleting resources or increasing expenditures of the State;
- significant abuse of State equipment or property;
- clear misuse of State property, programs, or work time for personal gain;
- gross misconduct with significant financial effects;
- consistent, wasteful conduct with significant financial implications; and
- kickbacks or similar acts involving return payments to State workers or vendors.

A table detailing complaints investigated by OSA is presented on the following page.

The types of complaints not investigated by the Office of the State Auditor and generally referred to other State agencies or other government authorities include:

- personal conflicts between individuals or threats of violence;
- alleged improper acts by Federal officials;
- complaints against State employees about personal matters;
- mistakes made by State personnel;
- insignificant matters or complaints without sufficient factual basis; and
- matters handled by other specific State investigation units.

Information on referrals made by OSA is presented on the following page.

OSA does not have enforcement power; however, we cooperate with governmental entities that do have enforcement power. This includes, but is not limited to, the Attorney General's Office and the District Attorneys' Offices.

OSA is statutorily required to publish a semiannual report to the Governor and Legislature detailing the complaints received by the Fraud Hotline. The report must include the following information in accordance with 5 MRSA §244-E, Subsections 4(A) through 4(D):

- Total number of complaints received: 47 (#1149 through #1195)
- Total referrals of fraud or other criminal conduct to the Attorney General (AG): 18 (#1151, 1154, 1158, 1159, 1160*, 1163*, 1166, 1174, 1175, 1177*, 1179, 1180, 1185, 1186, 1188, 1191, 1192, 1195)
- Total referrals of agency performance issues to the Office of Program Evaluation and Government Accountability: None
- Total investigations by the State Auditor, with current status (pending, completed, or closed): 16
 - 3 pending investigations (#1173, 1182, 1189)
 - 3 with completed investigations (#1153, 1177*, 1190)
 - 10 complaints closed for not meeting requirements for investigation (#1156, 1157, 1162, 1169, 1170, 1171, 1178, 1183, 1184, 1194)

The asterisk () above indicates that the complaint was investigated and/or referred to multiple agencies.*

OSA received and investigated 6 complaints from July 1, 2024, to December 31, 2024, as follows:

| ID | Type or Name of Potential Fraud | State Agency: | Potential Impact on State Government: | Action taken by OSA: | Substantiation of Complaint: |
|-----------|--|----------------------|--|--------------------------------------|-------------------------------------|
| 1153 | Municipal Complaint | None | N/A | Completed– State Auditor resolved | Completed |
| 1173 | State Benefit Fraud | DHHS | Inaccurate reimbursements | In process | Pending |
| 1177 | Municipal Complaint | None | N/A | Completed – State Auditor alerted AG | Completed |
| 1182 | Municipal Complaint | None | N/A | In process | Pending |
| 1189 | Municipal Complaint | None | N/A | In process | Pending |
| 1190 | Municipal Complaint | None | N/A | Completed – State Auditor resolved | Completed |

OSA referred 16 complaints to State Agencies from July 1, 2024, to December 31, 2024, as follows:

- 7 to Department of Health & Human Services' Fraud Investigation & Recovery Unit (#1150*, 1155*, 1163*, 1167, 1172*, 1176, 1193)
- 6 to Maine Revenue Services (#1149, 1150*, 1164, 1165, 1168, 1181)
- 4 to Maine State Housing Authority (#1152, 1155*, 1160*, 1172*)
- 1 to Department of Labor (#1161)
- 1 to Department of Public Safety (#1187)

The asterisk () above indicates that the complaint was investigated and/or referred to multiple agencies.*